

## **201 KAR 11:011. Definitions for 201 KAR Chapter 11.**

RELATES TO: KRS 324.010(1), 324.046(1), 324.111(1), (2), (3), (4), (6), 324.117(1), (5), 324.160(4)(j), (m), (r), 324.410(1), 324.420(1), (2), (3), (4), (5)

STATUTORY AUTHORITY: KRS 324.117(5), 324.281(5), 324.282

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324.282 requires the commission to promulgate administrative regulations necessary to implement KRS Chapter 324. This administrative regulation defines terms used in the implementation of KRS Chapter 324.

Section 1. Definitions. (1) "Academic credit hour" means:

- (a) One (1) college semester hour; or
- (b) Sixteen (16), fifty (50) minute hours of actual classroom attendance.

(2) "Contract deposit" means money delivered to a licensed agent as part of an offer to enter a contract for the sale of real property after:

- (a) The offer or counteroffer is accepted; and
- (b) An executory contract exists.

(3) "False, misleading, or deceptive advertising" means an advertisement that is prohibited pursuant to KRS 324.117(1) because the advertisement:

- (a) Is contrary to fact;
  - (b) Leads a person to a mistaken belief or conclusion; or
  - (c) Knowingly made a representation that is contrary to fact.
- (4) "Fraud" or "fraudulent dealing" means a material misrepresentation that:

- (a) Is:
  - 1. Known to be false; or
  - 2. Made recklessly;
- (b) Is made to induce an act;
- (c) Induces an act in reliance on the misrepresentation; and
- (d) Causes injury.

(5) "Without unreasonable delay" means within three (3) business days of the creation of an executory contract for the sale or lease of real property. (17 Ky.R. 2294; Am. 2690; eff. 3-8-91; 24 Ky.R. 1539; 2108; eff. 4-13-98; 2410; 25 Ky.R. 293; eff. 8-17-98; 27 Ky.R. 1503; eff. 4-9-2001; 31 Ky.R. 1325; 1645; eff. 4-22-2005; 40 Ky.R. 2810; 41 Ky.R. 740; eff. 10-31-2014.)